

1997 Talking Points Welfare Reform

Washington WorkFirst (EHB 3901 - partial veto)

Background - In July 1996, the Republican Congress passed legislation ending the 61- year federal entitlement to welfare. This legislation gave states broad authority to design their own welfare programs, significantly impacting any welfare reform legislation discussed at the state level. The President signed this legislation on August 22, 1996, marking our country's commitment to "end welfare as we know it."

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996

- ◆ Limits federal welfare benefits to five years or 60 months in a lifetime with exemptions from the time limit allowed for as many as 20 percent of the welfare families;
- ◆ Emphasizes employment and job training through a requirement that states put at least 50 percent of their welfare families to work by 2002;
- ◆ Replaces major federal programs like Aid to Families with Dependent Children (AFDC) and Job Opportunities and Basic Skills (JOBS) with block grants like Temporary Assistance for Needy Families (TANF);
- ◆ Increases flexibility to allow states to shift more federal funds into child care assistance; and
- ◆ Gives states the ability to require unmarried teen parents to live with their parents and stay in school.

The federal welfare reform bill also denied federal assistance, including Supplemental Security Income (SSI) and food stamps, to all non-citizens, including legal immigrants.

Bill Summary - Passage of EHB 3901 moves Washington into a new era of public assistance services. Rather than focusing on helping families qualify for public assistance, we will be helping them find jobs and self-sufficiency. This bill provides the incentives and the tools necessary to help families find work and to help people free themselves from dependence upon public assistance. Other states have proven that work is the best way to help families off public assistance and up the ladder of economic self-sufficiency.

Encouraging Independence and Self-Sufficiency through Employment:

- ◆ The Department of Social and Health Services (DSHS) is directed to help 15 percent of its welfare families off public assistance and into the workforce by 1999 by requiring mandatory participation in WorkFirst activities.
 - ◆ WorkFirst programs include a variety of activities such as temporary subsidized employment and community service positions, but the first priority is helping welfare recipients find paid, unsubsidized employment in the private sector.
 - ~~◆ All recipients must participate in four weeks of structured job search before being assessed for other work activities. Each recipient will participate in job search for at least 36 hours per week.~~
- (vetoed)**
- ◆ Workers employed in subsidized positions:
 - ✓ May not displace any existing workers;
 - ✓ Must be paid minimum wage or higher;
 - ✓ Must be protected under state and federal labor laws; and
 - ✓ Must be covered under worker safety and workers' compensation laws.

- ◆ Community service volunteers will receive their public assistance grant instead of a paycheck. They must not displace any existing paid employees and they must be covered under worker safety and workers' compensation laws.
- ◆ DSHS may engage in competitive contracting for all work activities using outcome-based performance contracts with private and public entities.
- ◆ ~~Because welfare checks are now considered paychecks, recipients who choose not to work their full schedule of hours will received pro-rated grants reflecting only the hours they work.~~ (vetoed)
- ◆ Those who do not cooperate with WorkFirst programs will face grant reductions or termination.
- ◆ DSHS may choose to exempt families for good cause from the WorkFirst program requirements. Exempted recipients may include:
 - ✓ Those needed at home to care for a disabled family member when day care for the disabled person is not provided;
 - ✓ A parent with a child less than 12 months of age; and
 - ✓ A parent with children under six and no child care.
- ◆ Cash assistance eligibility is limited to five years or 60 months in a person's lifetime.
 - ✓ DSHS may choose to exempt up to 20 percent of the welfare families on a case-by-case basis.
 - ✓ This could include victims of domestic violence or abuse and any other individuals DSHS finds will face hardship.
 - ✓ No one may be exempt from the time limits until they have reached their 52nd month of assistance.
- ◆ The old, fragmented child care system is replaced by a streamlined system based on income.
 - ✓ Low-income working families are eligible for assistance on a sliding scale basis.
 - ✓ The 1997-99 child care budget is increased by \$73 million in federal funds for a total of \$324 million.
 - ✓ Roughly 40 percent of the child care budget comes from the state general fund and 60 percent is federal funding.
 - ✓ ~~Child care assistance is provided to low-income families earning up to 175 percent of the federal poverty level and a \$10 minimum co-payment is required with the co-payment increasing as the family's income increases.~~ (vetoed)

Encouraging Family Responsibility:

- ◆ Parents who fail to pay court-ordered child support may face license suspension.
- ◆ ~~Parents who fail to comply with court-ordered visitation requirements may also risk license suspension.~~ (vetoed)
- ◆ Teen parents must live with their parents or in a DSHS-approved adult-supervised situation.
- ◆ An unmarried teen parent may not live with the father of her child if the elements of rape of a child (statutory rape) are present.
- ◆ The state is directed to reduce illegitimacy and maximize federal funding for abstinence programs.
- ◆ ~~The grandparents of infants born to unmarried teen parents will have their income considered when the teen parent applies for public assistance.~~ (vetoed)

Restoring Our Commitment to Helping Those in Need:

- ◆ The department is given both the responsibility and the flexibility to reduce the number of families dependent on public assistance and help families out of poverty.
 - ✓ DSHS is required to live within a specified budget allocation with no reference to future supplemental allocations.
 - ✓ They are not directed to employ across-the-board grant reductions.
- ◆ On a case-by-case basis, DSHS may approve alternative work activities designed to benefit recipients, recipients' families, and their community.
 - ✓ For example, recipients may participate in specialized assistance programs, such as crime victims' programs, to aid them in becoming employable.
 - ✓ Recipients may also participate in self-directed community service with a charitable non-profit organization or public agency.
 - ✓ Unless exempt, all recipients must participate in some activity directly related to building employment-related skills.
- ◆ DSHS may grant one-time emergency assistance to eligible families in crisis to divert them from joining the welfare rolls. Medical emergencies, car repairs, and other unexpected problems can be solved using this approach rather than forcing families on welfare.
- ~~◆ Seasonal workers' income will be averaged, requiring seasonal salaries be spread across a 12-month average when determining eligibility for assistance. (vetoed)~~
- ~~◆ DSHS will explore opportunities to contract with public and private entities for the administration of public assistance programs. (vetoed)~~

Partial Veto of EHB 3901

The Governor vetoed 19 sections and three subsections of EHB 3901, including:

- ◆ Two sections that reenact some but not all relevant provisions of state law;
- ◆ A section repealing the Consolidated Emergency Assistance Program (CEAP) because he said this program helps needy families in crisis who may not have access to TANF;
- ◆ A section requiring all communications with welfare recipients be provided at the eighth grade level because he said DSHS could file a lawsuit on the basis of meeting this test;
- ◆ Several sections dealing with legal immigrants because these sections were replaced by SB 6098;
- ◆ A section requiring seasonal workers' incomes to be averaged over a 12-month period when determining benefits because of technical problems;
- ◆ A section that allowed TANF recipients to participate in the Jobs for the Environment Program because he did not want any additional competition for existing funding;
- ◆ A section requiring welfare recipients participate in four 36-hour weeks of job search because he said it was too detailed and placed undue restrictions on DSHS;
- ◆ A section on collective bargaining agreements because he said it would provide unneeded, peremptory limits on what could be considered;
- ◆ Sections allowing competitive contracting with public, private, and non-profit agencies for administration of public assistance programs;
- ◆ A section requiring DSHS to prorate WorkFirst benefits based on the number of hours a recipient complies with WorkFirst activities because of ambiguity in the requirements;
- ◆ A section detailing the child care co-payment schedule because he said the co-payments were too high for working families to afford;
- ◆ A section requiring DSHS consider the incomes of all grandparents of infants born to unmarried teen parents when determining benefits for the teen and infant due to fear some

grandparents will not help their teen children;

- ◆ A provision requiring women to name the fathers of their children and establish paternity when applying for assistance because some women may have exceptional circumstances not considered in the bill;

- ◆ Several sections and subsections dealing with license suspension for custodial parents who fail to comply with court-ordered visitation rights because he feels these sections are not necessary to promote welfare reform; and

- ◆ A section requiring immediate implementation of key parts of the act which he says is impossible.

Providing Benefits to Legal Immigrants (SB 6098 - signed into law)

Background - The Legislature passed SB 6098 as part of a compromise to protect against a full veto by Gov. Locke. The original language in EHB 3901, which granted state-funded public assistance to legal immigrants who came to our state prior to August 1996, was vetoed in favor of SB 6098 which gives equal treatment to all legal immigrants.

Bill Summary

- ◆ The state will provide benefits such as TANF, Medicaid, food assistance, and general assistance-unemployable (GAU) to all legal immigrants to offset benefits lost under the federal welfare reform act.

- ◆ Newly-arriving immigrants must have 12 months of residency in our state before becoming eligible for TANF and Medicaid.

- ◆ Sponsors are held responsible for newly-arriving immigrants for their first five years in our country. Sponsors' incomes are considered when determining these immigrants' eligibility for assistance.

- ◆ New immigrants may become independently eligible for assistance after five years in our country. They may become eligible prior to that time if their sponsor dies or becomes incapacitated.